

Procedures for Annual Adjustments Decatur County

Residential

Step 1: The Residential land values were trended by sales of vacant land within the neighborhood. Sales were used of vacant parcels as well as improved parcels that were vacant at the time of sale. Values were adjusted using trending factors except three neighborhoods in Fugit Township that base rates were changed.

In Fugit Township we had to use 2007 sales to give a better picture of the land values around Lake Santee. The land around Lake Santee is very hard to trend due to the fact that the sales are all over the board. They are selling the same size lots off the water for as little as \$2,500 up to \$8,000. These are lots of same size and sometimes right next to each other. With the purchase of these lots comes the access to the Lake. Therefore, those that are from Decatur County know the price of \$2,000 up to \$4,000 per lot, where out of town people are purchasing the lots at a higher price.

Step 2: After the land factors were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the dwelling of the property to raise or lower the values to an acceptable median level. If there were no sales in the neighborhood, then consideration was given to homes for sale in the neighborhood or the neighborhood was trended using similar neighborhoods or a township trending factor. With the change in the trending rule stating 5 sales were needed in a strata before trending could take place, it was dictated in most townships that the trending did not happen at the neighborhood level but rather the township level.

Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Commercial / Industrial

Step 1: The C/I land values were trended by sales of vacant land within the neighborhood. Due to an insufficient number of vacant land sales in Decatur County, the land was trended with the same change percentage as the improvements.

The land values for rural commercial and industrial properties were trended with the same factor applied to the residential land.

Step 2: After the land factors were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the improvements of the property to raise or lower the values to an acceptable median level. Due to the limited amount of sales, the trending was expanded to county wide and one trending factor was applied to all commercial and industrial properties in Decatur County.

For income producing properties, income data sheets were mailed out and GRM's or capitalization of income was used to assist in determining the values.

Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Due to the amount of sales in Decatur County, it was necessary to open the window of sales used. We used sales from 01/01/2008 through 03/01/2010. Except for Commercial properties and Fugit Township vacants where the window was expanded to include 2007 sales. The sales were time adjusted by 1% annual, which was established by using paired sales analysis.